



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

**SUBJECT: STREET LIGHTS
CRACKDOWN 2004**

DATE: 05-05-04

Approved

Date

Council District: 2, 3, 5, 7

SNI: Washington, East Valley/680
Communities, Tully/Senter,
Edenvale/Great Oaks

RECOMMENDATION

Report on bids and award of contract for the Street Lights Crackdown 2004 Project to the low bidder, Pacific Electric Company, in the amount of \$133,800, and approval of a contingency in the amount of \$13,400.

CEQA: Exempt, PP01-02-023.

BACKGROUND

Project Crackdown is a comprehensive neighborhood program to empower communities to overcome neighborhood problems by taking innovative actions and building community pride. This program was initiated by Council in 1989. In fiscal year 1989-1990, the Project Crackdown Streetlights Program was launched to provide street lighting improvements within Project Crackdown areas.

In fiscal year 2000-2001, Department of Public Works (DPW) staff applied for a CDBG grant for the Project Crackdown Program and was awarded a three-year cycle grant. The CDBG grant has already funded Street Lights Crackdown 2002 and Street Lights Crackdown 2003 along with matching funds from the Traffic CIP. The Street Lights Crackdown 2004 Project is the third and last project for the three-year cycle CDBG grant.

Project Crackdown areas fall within Strong Neighborhood Initiative (SNI) areas and DPW staff has worked closely with the SNI community coordinators from the Parks, Recreation and Neighborhood Services Department to identify lighting needs. The locations within Project Crackdown areas were defined and prioritized by the SNI community coordinators in conjunction with the community. Attachment 1 shows the locations where street light improvements are proposed.

In addition to the top priority locations, the San José Redevelopment Agency recognized the need for street lighting improvements within the Washington SNI Area on Harliss Avenue between Edwards Avenue and Willow Street and has processed a project service memorandum. However, due to the low bid received, these additional improvements will be covered by the original project budget.

The scope of work involves installing new electroliers, replacing, rewiring and relocating existing electroliers, upgrading luminaires, installing conduits, conductors, aerial power cables and pull boxes. This project provides 28 new street lights and 26 upgrades of existing street lights.

Construction is scheduled to begin in July with completion in November 2004.

ANALYSIS

Bids were opened on April 20, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Brown and Fesler (Livermore)	\$ 197,321	\$26,521	16
San Jose Signal Electric, Inc. (San José)	175,000	4,200	3
Engineer's Estimate	170,800		
Pacific Electric Company (San José)	133,800	(37,000)	(22)

The low bid submitted by Pacific Electric Company is 22 percent under the Engineer's Estimate. This is considered a reasonable price based upon the Engineer's Estimate and the current competitive bidding market.

Council Policy provides for a standard contingency of ten percent on public works projects involving street lighting. The standard contingency is appropriate for this project.

PUBLIC OUTREACH

Staff has distributed preliminary engineering notices to the residents near the project locations and responded to comments and questions regarding the project. Staff will also attend community meetings upon request.

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum were coordinated with residents, the Departments of Parks, Recreation and Neighborhood Services, Transportation, Finance, Planning, Building and Code Enforcement, the City Attorney's Office, the City Manager's Budget Office, San José Redevelopment Agency and the Pacific Gas and Electric Company.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$133,800
2. COST OF PROJECT:

Project Delivery	\$ 62,500
Construction	133,800
PG&E Tariff	1,500
Contingency	<u>13,400</u>
TOTAL	\$211,200
3. SOURCE OF FUNDING: 441 – Community Development Block Grant Fund
465 – Construction Excise Tax Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. Minor General Fund operating and maintenance costs will be generated by this project in the amount of approximately \$3,200 a year, beginning in 2004-2005.

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BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
441	5395	Project Crackdown Streetlights	129575	120,000	113,146	Adopted Operating Budget Page 735	
465	5356	Street Lighting	129575	769,000	20,654	Adopted Capital Budget Page 855	10/14/03 Ord. No. 26997
		Total		889,000	133,800		

CEQA

Exempt, PP01-02-023.

KATY ALLEN
Director, Public Works Department

HF:PH:ew
(md042604M.Crackdown2004.doc/Elec)
Attachment